

Message Text

UNCLASSIFIED

PAGE 01 REYKJA 00599 301846Z

61

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04

NSAE-00 SIL-01 DODE-00 PA-02 USIA-15 PRS-01 SP-02 L-03

AGR-10 /065 W

----- 124783

R 301717Z MAY 75

FM AMEMBASSY REYKJAVIK

TO SECSTATE WASHDC 5372

CINCLANT

COMICEDEFOR

AMEMBASSY COPENHAGEN

AMEMBASSY HELSINKI

AMEMBASSY OSLO

AMEMBASSY STOCKHOLM

UNCLAS REYKJAVIK 0599

E.O. 11652: N/A

TAGS: ELAB PINT IC

SUBJECT: GOVERNMENT FACES MAJOR LABOR CHALLENGE

REF: REYKJAVIK 568

1. EMPLOYEES IN THREE STATE-OWNED INDUSTRIES, ON STRIKE SINCE MAY 12, YESTERDAY DECLARED THEY WOULD IGNORE GOVERNMENT DECREE ORDERING THEM BACK TO WORK. EMPLOYEES' DECISION GOT STRONG SUPPORT FROM ICELANDIC FEDERATION OF LABOR, WHICH ITSELF HAS CALLED FOR GENERAL STRIKE JUNE 11 (REFTEL), THUS SETTING STAGE FOR POTENTIALLY SERIOUS GOVERNMENT-LABOR CONFRONTATION.

2. ACTING UNDER CONSTITUTIONAL PROVISIONS THAT GIVE PRESIDENT BROAD POWER TO ISSUE PROVISIONAL LAWS IN CASES OF "EXTREME URGENCY" WHEN PARLIAMENT NOT IN SESSION, GOVERNMENT HAD EARLIER YESTERDAY ORDERED END TO STRIKES IN COUNTRY'S FERTILIZER, CEMENT, AND DIATOMITE WORKS. DECREE CITED "SERIOUS DISRUPTION" OF ECONOMY ALREADY CAUSED BY STOPPAGES AS WELL AS ANTICIPATED FURTHER DAMAGE, ESPECIALLY IN AGRICULTURAL SECTOR. LAW WAS UNCLASSIFIED

UNCLASSIFIED

PAGE 02 REYKJA 00599 301846Z

EFFECTIVE IMMEDIATELY AND CALLED FOR FINES IN EVENT OF NON-

COMPLIANCE. MEASURE ALSO PROVIDED FOR APPOINTMENT BY SUPREME COURT OF THREE-MAN ARBITRATION BOARD TO DECIDE NEW CONTRACT TERMS.

3. AT JOINT MEETING CONVENED IN REYKJAVIK FOLLOWING ISSUANCE OF DECREE, CEMENT AND FERTILIZER PLANT WORKERS VOTED NOT TO RETURN TO WORK UNTIL SETTLEMENT REACHED "THROUGH NORMAL MEANS." (EMPLOYEES OF DIATOMITE PLANT, LOCATED IN NORTH OF ICELAND, WERE NOT PRESENT.) ICELANDIC FEDERATION OF LABOR'S EXECUTIVE COMMITTEE ALSO MET WITH REPRESENTATIVES OF ALL THREE GROUPS OF STRIKING WORKERS AND ISSUED CONDEMNATION OF WHAT IT CALLED GOVERNMENT'S "UNPARALLELED USE OF FORCE" AND "DISGRACEFUL ATTACK" AGAINST RIGHTS OF LABOR. STATEMENT WAS AGREED TO BY ALL VOTING MEMBERS OF COMMITTEE, ALTHOUGH ONE REPRESENTATIVE OF COALITION-PARTNER INDEPENDENCE PARTY ABSTAINED AND ANOTHER WAS ABSENT. IN SUBSEQUENT INTERVIEW, IFL PRESIDENT BJORN JONSSON SAID THAT LABOR MOVEMENT HAD NEVER BEEN SUBJECTED TO MEASURES SUCH AS THOSE CONTAINED IN PROVISIONAL LAW. AS OF MIDDAY TODAY, ALL BUT HANDFUL OF WORKERS IN THREE FACTORIES WERE STILL ON STRIKE.

4. COMMENT: LABOR'S ACTION, AMOUNTING TO DIRECT CHALLENGE TO GOVERNMENT'S AUTHORITY, IS SERIOUS ENOUGH IN OWN RIGHT. (ON 16 PREVIOUS OCCASIONS SINCE 1938 WHEN GOVERNMENT DECREED END TO STRIKES, ONLY ONCE BEFORE HAVE WORKERS DEFIED ORDER.) HOWEVER, COMING ON EVE OF SCHEDULED JUNE 11 GENERAL WALKOUT, INCIDENT ASSUMES GREATER SIGNIFICANCE SINCE IT HAD BEEN WIDELY ANTICIPATED THAT GOVERNMENT WOULD SIMILARLY DECREE HALT TO ANY GENERAL STRIKE AFTER FEW DAYS AND IMPOSE ARBITRATED SETTLEMENT ON PARTIES WHOSE PUBLIC POSITIONS, AT LEAST, APPEAR IRRECONCILABLE. PROLONGED GENERAL STRIKE COULD BE DISASTROUS FOR ECONOMY AND COULD CAUSE WIDESPREAD UNPREDICTABLE POLITICAL REPERCUSSIONS. CABINET MET THIS MORNING TO CONSIDER LATEST DEVELOPMENTS, BUT ANY ACTION WILL PRESUMABLY AWAIT PRIME MINISTER'S RETURN TONIGHT FROM NATO SUMMIT.

IRVING

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COLLECTIVE BARGAINING, LABOR STRIKES, LABOR OBJECTIVES, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975REYKJA00599
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750190-0526
From: REYKJAVIK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975055/aaaaaeab.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 REYKJAVIK 568
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 05 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 AUG 2003 by BalzMJ>; APPROVED <26 JAN 2004 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOVERNMENT FACES MAJOR LABOR CHALLENGE
TAGS: ELAB, PINT, IC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006